The Tourism Economy Study: CCU Lodging Update, March 27, 2014

Current Performance Estimates

Hotel, Condo-Hotel and Campsite Properties

Preliminary results from Coastal Carolina University’s voluntary sample of hotel, condo-hotel and campsite (HC-HC) properties along the Grand Strand during the week of March 16-22, 2014, indicate that the midweek occupancy rate averaged 48.5 percent, up 6.7 occupancy points or 16.2 percent, compared with the equivalent week of 2013. During the Friday-Saturday night period, the occupancy rate averaged 74.9 percent, up 8.4 occupancy points or 12.6 percent, compared to last year. The average daily rate was down 2 percent during the midweek period and down 8.5 percent during the weekend period compared with last year. Consequently, HC-HC occupancy for the week overall was up 7.2 occupancy points or 14.8 percent, and revenue per available room (RevPAR) was up 8.9 percent compared with the equivalent week of 2013.

VRPs

Based on the Brittain Center’s observations of random samples of Internet websites of vacation rental properties (VRPs) in the coastal sections of Horry and Georgetown counties (338 of the 3,135 units) for which complete data are publicly available, 57.7 percent were reserved or blocked from nightly rentals during the nights of March 15-21. The percentage of VRPs reserved in Horry and Georgetown counties combined was down 10.1 occupancy points or 14.9 percent compared with the equivalent period last year. For the nights of March 22-28, 56.9 percent of the VRPs were reserved or blocked from reservation. The level of reservations was down 10 occupancy points or 14.9 percent compared with the equivalent week of 2013.

Six-Week Average Performance

During the nights of Feb. 9-March 22, 47.2 percent of the lodging properties in the Brittain Center’s voluntary sample of HC-HC properties located along the Grand Strand were occupied, which was up 0.3 occupancy point or 0.3 percent compared with the equivalent weeks last year. The average daily rate for these properties was down 2.4 percent compared with the equivalent weeks last year. Consequently, RevPAR was down 2.1 percent compared with the equivalent period last year. During the same period, 47.8 percent of the VRP bedrooms in the Center’s random sample of Horry County VRPs were reserved or blocked from nightly rentals, down 8.1 occupancy points or 14.5 percent, compared with the equivalent weeks last year. Advertised prices for this segment were up 5.6 percent compared with last year, leading to a decrease in revenue per available bedroom of 9.6 percent.

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Forecast and Analysis

At the time of this writing, the forecast from weather.com for the weekend of March 28-29 called for a 60 and 10 percent chance of precipitation with highs of 67 and 61 degrees, respectively. The Brittain Center predicts that average occupancy for its sample of HC-HC properties may be near or above 75 percent during the nights of March 27-28, down as much as 10 occupancy points compared with the equivalent dates of 2013, which in that year included the Passover and Easter period. Based on this week’s observations by Center researchers of 338 websites of VRPs available to rent in Horry and Georgetown counties for the week of March 29-April 4, 63.1 percent are reserved. VRP reservations in Horry and Georgetown counties for that week are down 9.8 occupancy points or 13.4 percent compared with the same period of 2013.

Additional Research Notes

The Brittain Center’s preliminary sample of 27 HC-HC properties reporting for the week of March 16-22, consisted of 12 hotels (all but five are oceanfront/view, and five are brand affiliated), 14 condo-hotels (all are oceanfront/view and one brand affiliated), and one campground resort property. The results for the current moving six-week period are based on an average sample size of 9,180 units per week average.

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Note: The above analysis is based on sample estimates. Actual business performance results may vary greatly. Therefore, neither the above Centers nor Coastal Carolina University warrant the use of the above data or analysis for specific business application.